GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:4042
ANSWERED ON:23.03.2001
ILLEGAL SUGAR SALES BY SUGAR MILLS
VINAY KUMAR SORAKE

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Union Government have received complaints of illegal sugar sales by sugar milles without official release order;

(b) if so, the details thereof;

(c) whether such illegal sales by mills are in addition to the quota issued under a proper release order;

(d) if so, the details thereof;

(e) whether the Union Government are constantly monitoring the supply and demand position as well as open market prices;

(f) if so, the details thereof;
(g) whether there is any proposal under consideration to announce free-sale quota for six months in one stretch; and
(h) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (S SREENIVASA PRASAD)

(a), (b), (c) & (d) : Based on the reports received from various quarters regarding sale of sugar in the open market without valid release orders, the Government deputed various officers to verify the position regarding sale and dispatch of sugar by the factories. So far, 12 factories have been found prima-facie violating the release orders and they have been issued show cause notices.

(e) & (f) : The Union Government are constantly monitoring the prices of sugar in the open market with a view to maintaining adequate supply of sugar at reasonable prices. The quantum of monthly freesale quota for internal consumption is decided having regard to production, stocks, requirement, availability of other alternative sweetening agents like gur, khandsari etc. and the same is announced on quarterly basis in advance.

(g) & (h) : The Union Government in a Press Release on 10.1.1001 announced that the releasesof monthly freesale sugar would be made in advance on six monthly basis as this will facilitate introduction of futures contract in sugar and thereby ensure certain degree of price stability.